

SkyPort Global Communications, Inc.

ProForma Statement of Operations
for the months ended:

	Actual				
	<u>12/31/2008</u>	<u>12/31/2009</u>	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>
Monthly Recurring Revenue	7,559,087	5,699,942	7,451,536	9,985,473	11,843,935
Equipment Sales	748,913	494,788	931,442	1,248,185	1,480,492
Total Revenue	8,308,000	6,194,730	8,382,978	11,233,658	13,324,427
Cost of Service Sold	6,706,932	3,207,398	4,074,621	5,312,955	6,447,905
Selling Costs	1,082,611	512,161	913,786	1,183,207	1,347,595
General & Administrative	3,866,091	1,186,854	1,482,544	1,739,937	1,933,745
Resold Equipment Costs	627,363	354,889	745,154	998,547	1,184,395
	<u>12,282,997</u>	<u>5,261,302</u>	<u>7,216,105</u>	<u>9,234,646</u>	<u>10,913,640</u>
EBITDA	(3,974,997)	933,428	1,166,873	1,999,012	2,410,787
Non Operating Items					
Depreciation	740,798	624,181	260,436	320,850	430,747
Interest Expense	524,820	553,588	270,728	218,967	160,059
Other (Gain) Loss	3,561,166	(8,797,729)	-	-	-
Non Operating items	4,826,784	(7,619,960)	531,164	539,817	590,806
Net Income	(8,801,781)	8,553,388	635,709	1,459,195	1,819,981

SkyPort Global Communications, Inc.

ProForma Balance Sheet
As of the months ended

	Actual				
	<u>12/31/2008</u>	<u>12/31/2009</u>	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>
Cash	77,790	404,969	261,254	592,157	1,089,605
Accounts Receivable (Net)	426,768	765,546	1,127,015	1,444,497	1,691,875
Inventory	24,206	60,520	89,096	114,194	133,750
Prepaid Assets	85,153	92,289	128,570	166,664	183,560
Other Current Assets	19,878	22,966	33,810	43,335	50,756
Current Assets	633,795	1,346,290	1,639,745	2,360,847	3,149,546
Property & Equipment	9,468,486	1,962,646	2,212,646	2,862,646	3,862,646
Accumulated Depreciation	(4,618,586)	(79,692)	(337,524)	(651,603)	(1,071,933)
Net Fixed Assets	4,849,900	1,882,954	1,875,122	2,211,043	2,790,713
Deposits	99,464	138,292	218,292	278,292	318,292
Other Non-Current Assets	-	9,186	13,524	17,334	20,302
Total Assets	5,583,159	3,376,722	3,746,683	4,867,516	6,278,853
Accounts Payable & Accrued Expenses	910,795	292,500	429,532	541,091	612,362
Deferred Income	454,108	405,496	461,280	524,740	596,938
Other Current Liabilities	-	35,100	51,544	64,931	73,483
Total Current Liabilities	1,364,903	733,096	942,356	1,130,762	1,282,783
Pre-Petition Liabilities	11,937,696	275,000	175,000	75,000	-
Accrued Interest on Pre-Petition Debt	116,896	-	-	-	-
DIP Financing	-	-	-	-	-
Long-Term Debt (New Credit Facility)	-	2,250,394	1,875,390	1,448,624	962,950
Total Liabilities	13,419,495	3,258,490	2,992,746	2,654,386	2,245,733
Common Stock	736,993	1,000	1,000	1,000	1,000
Paid In Capital	41,428,622	-	-	-	-
Retained Earnings	(50,001,951)	117,232	752,937	2,212,130	4,032,120
Total Equity	(7,836,336)	118,232	753,937	2,213,130	4,033,120
Total Liabilities & Equity	5,583,159	3,376,722	3,746,683	4,867,516	6,278,853

As of the months ended	Actual											
	31-Jan-09	28-Feb-09	31-Mar-09	30-Apr-09	31-May-09	30-Jun-09	31-Jul-09	30-Aug-09	30-Sep-09	31-Oct-09	30-Nov-09	31-Dec-09
Cash	120,192	44,342	125,000	165,465	157,938	112,557	168,283	210,464	451,894	435,447	461,539	404,969
Accounts Receivable	523,217	627,791	726,417	617,108	711,305	776,594	747,593	763,155	759,991	805,688	811,323	817,018
Allowance for Doubtful Accounts	(161,381)	(161,381)	(161,381)	(161,381)	(161,381)	(161,381)	(161,381)	(161,381)	(47,879)	(50,758)	(51,113)	(51,472)
Net Accounts Receivable	361,836	466,410	565,036	455,727	549,924	615,213	586,212	601,774	712,112	754,930	760,210	765,546
Inventory	24,206	53,372	62,341	76,955	82,918	69,894	71,795	67,628	56,296	59,681	60,098	60,520
Prepaid Assets	111,367	115,926	118,175	61,913	72,406	108,000	89,245	81,661	88,639	91,564	91,925	92,289
Other Current Assets	15,007	10,135	5,263	-	-	-	-	18,053	21,363	22,648	22,806	22,966
Other Current Assets	150,580	179,433	185,779	138,868	155,324	177,894	161,040	167,342	166,298	173,893	174,829	175,775
Property & Equipment	9,468,486	9,469,104	9,483,247	9,487,920	9,483,247	9,483,247	9,483,247	9,453,125	1,912,646	1,912,646	1,912,646	1,962,646
Accumulated Depreciation	(4,688,311)	(4,765,028)	(4,831,739)	(4,901,000)	(4,968,407)	(5,033,123)	(5,097,840)	(5,162,556)	(19,923)	(39,846)	(59,769)	(79,692)
Net Fixed Assets	4,780,175	4,704,076	4,651,508	4,586,920	4,514,840	4,450,124	4,385,407	4,290,569	1,892,723	1,872,800	1,852,877	1,882,954
Deposits	99,464	99,464	99,464	73,534	73,534	73,534	73,534	73,534	128,292	138,292	138,292	138,292
Other Non-Current Assets	-	-	-	-	-	-	-	-	-	9,059	9,122	9,186
Total Assets	5,512,247	5,493,725	5,626,787	5,420,514	5,451,560	5,429,322	5,374,476	5,343,683	3,351,319	3,384,421	3,396,869	3,376,722
Accounts Payable	889,424	996,489	1,010,216	972,291	1,083,776	1,094,731	1,110,112	1,116,460	276,201	291,580	292,038	292,500
Deferred Income	315,498	285,410	383,567	323,656	263,745	203,834	143,924	113,623	385,622	396,878	401,164	405,496
Other Current Liabilities	-	-	-	-	-	-	-	-	33,144	34,990	35,045	35,100
Total Current Liabilities	1,204,922	1,281,899	1,393,783	1,295,947	1,347,521	1,298,565	1,254,036	1,230,083	694,967	723,448	728,247	733,096
Pre-Petition Liabilities	11,860,340	11,854,642	11,885,866	11,792,771	11,792,771	11,792,771	11,792,771	11,792,771	300,000	300,000	300,000	275,000
Accrued Interest on Pre-Petition Debt	174,084	225,739	282,927	340,169	397,357	454,545	511,733	568,921	-	-	-	-
DIP Financing	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	-	-	-	-
Long-Term Debt (New Credit Facility)	-	-	-	-	-	-	-	-	2,336,810	2,308,314	2,279,510	2,250,394
Total Liabilities	13,389,346	13,512,280	13,712,576	13,578,887	13,687,649	13,695,881	13,708,540	13,741,775	3,331,777	3,331,762	3,307,757	3,258,490
Common Stock	736,993	736,993	736,993	736,993	736,993	736,993	736,993	736,993	1,000	1,000	1,000	1,000
Paid In Capital	41,428,622	41,428,622	41,428,622	41,428,622	41,428,622	41,428,622	41,428,622	41,428,622	-	-	-	-
Retained Earnings	(50,042,714)	(50,184,170)	(50,251,404)	(50,323,988)	(50,401,704)	(50,432,174)	(50,499,679)	(50,563,707)	18,542	51,659	88,112	117,232
Total Equity	(7,877,099)	(8,018,555)	(8,085,789)	(8,158,373)	(8,236,089)	(8,266,559)	(8,334,064)	(8,398,092)	19,542	52,659	89,112	118,232
Total Liabilities & Equity	5,512,247	5,493,725	5,626,787	5,420,514	5,451,560	5,429,322	5,374,476	5,343,683	3,351,319	3,384,421	3,396,869	3,376,722

	Actual												Total
	31-Jan-09	28-Feb-09	31-Mar-09	30-Apr-09	31-May-09	30-Jun-09	31-Jul-09	30-Aug-09	30-Sep-09	31-Oct-09	30-Nov-09	31-Dec-09	
Monthly Recurring Revenue	542,793	463,234	440,228	454,072	441,285	497,835	476,600	491,142	450,365	477,445	480,784	484,159	5,699,942
Equipment Sales	16,277	18,300	49,356	82,025	32,918	19,894	21,795	17,628	56,296	59,681	60,098	60,520	494,788
Total Revenue	559,070	481,534	489,584	536,097	474,203	517,729	498,395	508,770	506,661	537,126	540,882	544,679	6,194,730
Cost of Service Sold													
Space Segment Costs	268,779	201,987	128,487	130,517	94,682	110,792	130,792	138,292	128,292	138,292	138,292	138,292	1,747,496
Terrestrial Circuits	27,756	27,366	24,899	24,913	19,000	19,000	17,250	17,250	13,511	14,323	14,424	14,525	234,217
Telephone	17,998	18,275	16,758	14,975	14,250	12,250	12,250	12,250	9,007	9,549	9,616	9,683	156,861
Facility Costs	16,750	17,493	12,804	19,061	23,651	17,425	17,425	17,425	17,425	17,425	17,425	17,425	211,734
Salaries & Wages	52,604	52,683	52,239	48,334	48,073	48,073	48,073	52,073	52,073	52,073	52,073	60,573	618,944
Support & Maintenance	12,130	15,744	10,050	9,500	21,050	21,250	15,389	13,019	15,200	16,114	16,226	16,340	182,012
Other Costs	4,757	2,475	4,172	3,445	4,742	5,177	4,984	5,088	5,067	5,371	5,409	5,447	56,134
Cost of Service Sold	400,774	336,023	249,409	250,745	225,448	233,967	246,163	255,397	240,575	253,147	253,465	262,285	3,207,398
Cost of Service % of Revenue	72%	70%	51%	47%	48%	45%	49%	50%	47%	47%	47%	48%	52%
Gross Margin	158,296	145,511	240,175	285,352	248,755	283,762	252,232	253,373	266,086	283,979	287,417	282,394	2,987,332
Gross Margin Percentage	28%	30%	49%	53%	52%	55%	51%	50%	53%	53%	53%	52%	48%
Selling Costs													
Salaries, Wages & Commissions	32,268	30,665	34,388	35,638	32,738	32,738	32,738	32,738	40,238	40,238	40,238	40,238	424,863
Marketing & Advertising	0	2,080	124	2,295	1,637	1,637	1,637	1,637	2,012	2,012	2,012	2,012	19,095
Travel & Entertainment	1,624	915	2,034	5,246	6,548	6,548	6,548	6,548	8,048	8,048	8,048	8,048	68,203
Selling Costs	33,892	33,660	36,546	43,179	40,923	40,923	40,923	40,923	50,298	50,298	50,298	50,298	512,161
Selling Cost % of Revenue	6%	7%	7%	8%	9%	8%	8%	8%	10%	9%	9%	9%	8%
General & Administrative													
Salaries & Wages	31,108	37,158	38,178	37,158	39,408	39,408	41,908	41,908	41,908	41,908	41,908	41,908	473,866
Employee Benefits & Recruiting	20,934	17,517	20,482	16,827	23,803	23,803	24,298	25,090	26,575	26,575	26,575	28,258	280,737
Consulting & Professional Services	6,348	8,553	8,326	11,610	9,484	10,355	9,968	10,175	10,133	10,743	10,818	10,894	117,407
Insurance	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Travel & Entertainment	7,949	8,600	7,865	11,019	11,822	11,822	12,572	12,572	12,572	12,572	12,572	12,572	134,509
Other Expenses	6,828	7,289	10,621	13,031	9,852	9,852	10,477	10,477	10,477	10,477	10,477	10,477	120,335
General & Administrative	78,167	84,117	90,472	94,645	99,369	100,240	104,223	105,222	106,665	107,275	107,350	109,109	1,186,854
G&A Costs % of Revenue	14%	17%	18%	18%	21%	19%	21%	21%	21%	20%	20%	20%	19%
Resold Equipment Costs	3,668	1,227	26,780	60,151	26,334	15,915	17,436	14,102	45,037	47,745	48,078	48,416	354,889
EBITDA	42,569	26,507	86,377	87,377	82,129	126,684	89,650	93,126	64,086	78,661	81,691	74,571	933,428
EBITDA Percentage	8%	6%	18%	16%	17%	24%	18%	18%	13%	15%	15%	14%	15%
Non Operating Items													
Depreciation	69,726	76,713	66,712	69,261	67,407	64,716	64,717	64,716	19,923	19,923	19,923	20,444	624,181
Interest Expense	57,188	51,654	57,188	57,242	57,188	57,188	57,188	57,188	25,621	25,621	25,315	25,007	553,588
Other (Gain) Loss	8,386	36,291	25,533	29,348	35,250	35,250	35,250	35,250	(9,038,287)				(8,797,729)
Non Operating items	135,300	164,658	149,433	155,851	159,845	157,154	157,155	157,154	(8,992,743)	45,544	45,238	45,451	(7,619,960)
Net Income	(92,731)	(138,151)	(63,056)	(68,474)	(77,716)	(30,470)	(67,505)	(64,028)	9,056,829	33,117	36,453	29,120	8,553,388